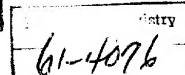
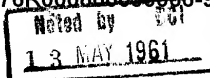


EXECUTIVE SECRETARY FILE



LETTER FROM PRESIDENT FRONDISI  
TO PRESIDENT KENNEDY

NSC REFERRAL NOT REQUIRED

ALLIANCE FOR PROGRESS  
April 7, 1961

To His Excellency  
The President of the United States of America,  
JOHN F. KENNEDY  
Washington, D.C.

Dear Mr. President:

I have given most careful attention to the address delivered by Your Excellency on March 13 last before the Latin American Ambassadors in Washington.

I wish to state to Your Excellency that the announcement of the Alliance for Progress enunciated therein opens a new historic perspective of the common task of the American Republics.

Our countries constitute a community united by geographical, historical, and, above all, spiritual ties that are indissoluble.

We are a branch of the Western World. At the time of the great discoveries, the Western World put out branches to all corners of the Earth. To all of them it transmitted the vitality of its culture and its spirit of progress. In this way it came into contact with other ancient cultures and with primitive peoples. It penetrated some of them and fused the old and the new values. In others it made its presence actively felt but did not effect a permanent fusion.

America developed as part of the Western World. Our indigenous peoples absorbed its religion and its culture. The European peoples who came to our shores became a part of our land forever.

Our political independence, which we gained almost simultaneously, was the first expression of the vitality and maturity of the imported culture, which was thus acquiring an autonomous existence.

From that time on, we began the great struggles to develop our national entities, to establish a democratic way of life based on respect for human dignity, and to promote the progress and well being of our peoples.

The evolution of our Republics was marked by the variety and diversity that are characteristic of human destiny itself, although our ideals and our objectives were the same. We have all faced problems and conflicts in our evolution toward democracy and liberty: internecine struggles, local conflicts, tyranny. In Europe, in full maturity, such conflicts reached the catastrophic dimensions that brought the world to the last war.

On that occasion, the United States constituted the moral and material reserve upon which decisive action devolved to save paramount values at the final crossroads. Then, in an unprecedented decision, it put forth a great economic and technical effort in the Marshall Plan in order to make it possible the rapid reconstruction of a world economically paralyzed by devastation and tottering on the edge of a grave crisis threatening desintegration which would have been fatal to our civilization.

- 2 -

Today Latin America is also passing through a period in which basic values are at a stake,

Many of our peoples have been successful in establishing the democratic institutions essential to the respect for our traditional values, for human dignity, and for an economic regime based on social justice, private enterprise and respect for private property.

Nevertheless, the Latin American nations are troubled by a serious, disturbing factor which hinders our progress, makes it difficult for the governments to satisfy the ever stronger aspirations of the peoples and, under such conditions, threatens our social stability in the face of the corrosive activities of disruptive demagoguery and propaganda; this negative factor, as Your Excellency has clearly perceived, is that of under-development.

The conditions of under-development prevalent in Latin America disturb and impede all national efforts to bring about an improvement in the living conditions of our peoples.

In very few cases is the national product of the countries of Latin America growing at a rate equal or superior to that of the increase in population; export, consisting principally of raw materials, have increased less than the population and therefore provide resources considerably under those required for the acquisition of equipment and manufactured articles indispensable for development.

As depositories of a concept of life based on Christianity and Western tradition, we uphold the supremacy of spiritual values that constitute the dignity of man. In hours critical for the world and for our countries, we did not hesitate to abandon all attachment to material wealth in defense of that which is vital for mankind.

But in the present crisis of Latin America, these values are threatened by the disturbances and frustrations caused our people by their inadequate incomes, which means economic insecurity and, for many communities, malnutrition, disease, and ignorance.

I have had repeated occasion to point out that the vicious circle of poverty and under-development calls for vigorous solutions. In present world conditions, political as well as economic, no under-developed country can formulate such solutions within the framework of a democratic regime, without the cooperation of the developed countries.

Moreover, I should like to emphasize to Your Excellency that the problem of under-development is a grave question not only in situations of extreme poverty; it is not only a question of overcoming the problems of hunger, contagious diseases or illiteracy; people in the middle of the twentieth century aspire to levels of well-being appropriate to this age and not simply to the material necessities of life. Their aspirations encompass not only the biological needs but also what at this point in civilization and world progress is a full life, in a material and cultural sense and in a physical and spiritual sense. Rural man aspires to become more informed and to be heard, democratically, in the making of national decisions which will affect him; this means educational, transportation and communications facilities, electrification and rural sanitation, equitable commercial treatment; industrial workers who have acquired the skills to operate the complex machinery in the factories aspire to higher cultural levels, to a higher social position, to a state of well-being commensurate with the level of productivity made possible.

- 3 -

Professional and technical people and intellectuals also aspire to be respected in their professions and to achieve in the communities to which they belong positions of responsibility commensurate with their capabilities.

This implies not only adequate income levels, but also laboratory and educational facilities, and, above all, recognition by society of their aptitudes and capabilities.

The history of this century indicates that tensions of this type, perhaps even more than those created by extreme poverty, offer fertile soil for the germination of nihilist movements that can open the door to the irruption of communist totalitarianism.

In your message to Congress on the subject of the International Cooperation programs of the United States, Your Excellency pointed out with great clarity that these programs are not limited to a passive struggle of mere opposition to communism but have the dynamic aim of demonstrating historically that in the twentieth century rapid economic growth can be achieved within the framework of our democratic institutions.

Apart from the Marshall Plan for Europe, in the years following the last world war there has been carried on a vast work of international cooperation in the economic and technical fields in which the United States has had the most important role, including that of genuine leadership. However, despite the considerable extent of the effort, from an absolute standpoint, and the positive results obtained, if that effort is measured in relation to the magnitude of the needs of the under-developed countries, it is insufficient in comparison with the urgency of existing problems and tensions.

In an exceptional act of statesmanship immediately after your assumption of the high national and global responsibility of the Presidency of the United States, Your Excellency revived the best traditions of a great nation by taking an initiative commensurate with importance and urgency of the problem.

For that reason, I have not been content to limit myself to merely offering my congratulations, however warm they may be.

In this question, our destiny as free nations and our responsibility as leaders are at stake. In the name of that responsibility, I wish to say today to Your Excellency that my Government unreservedly commits itself to the joint cooperative effort of the Alliance for Progress that you have opened to all the nations of the Americas. This is a decision dictated by the irreversible course I chose for my country when I became head of the Government three years ago.

We faced without flinching the difficult task of consolidating our institutions, the free exercise of rights guaranteed by our constitution and social peace and at the same time we initiated an economic policy designed to reorganize and stabilize our finances and to promote on these bases a process of rapid national development.

Under extremely difficult conditions, our faith in the traditional ideals of the West enabled us with the support of the people, to demonstrate clearly that the most fitting and most direct road to economic well-being and the progress can be constructed within the framework of democracy and freedom, affirming the exercise of man's highest spiritual qualities.

- 4 -

The instruments of government intervention that have previously interfered with the economic life of the nation were removed: we furnished an adequate and definite solution to the manifold national and international problems with which our country had been burdened for several decades; we call for heavy sacrifice in the nature of austerity on the part of our people to curb the disintegrating process of inflation and to rehabilitate our finances, and we initiated a program of sound development.

Of course, this undertaking would have been impossible of realization if we had not had the valuable cooperation of the nations of Western Europe to which we are bound by traditional ties, and above all, of the United States, your great country, which from the start showed great understanding of the critical importance of the undertaking we were launching.

This cooperation has strengthened the bonds that unite our two countries in a practical and concrete form that is without precedent in our history.

The efforts of my government have had important and favorable results, but have also encountered strong obstacles that have brought about negative results as well. But we persevere in them because we know that they constitute a long-range effort which must be continued by those who follow us.

For this reason, Mr. President, I state to you today that, as President of the Argentines, I consider myself irrevocably a participant in the Alliance for Progress, aware of all the other members of the American Community, but also certain that only through this effort can we fulfill the historic destiny of America in this century charged with anxiety and promise.

The Alliance for Progress is a joint undertaking implying responsibilities for all as a condition for the achievement of objectives that will benefit all.

As Your Excellency has pointed out, it is a question of undertaking in this decade a decisive effort to place the American peoples on the road to a rapid economic development that will enable them to raise their standards of living and to overcome the social tensions brought about by these living standards.

This program must be properly organized and oriented, in order that the necessarily limited resources may be utilized in the most efficient manner; in spite of the great amount of cooperation envisaged by Your Excellency and the magnitude of the contribution resulting from the efforts of all our countries themselves, it will always be limited in the relation to the vastness of the objectives to be achieved.

For this reason I believe it necessary to concentrate the initial impetus on the establishment and strategic expansion of the basic industries and services that will, in turn, permit the acceleration of industrialization and the mechanization of agriculture, and thereby rapidly raise the productivity of our economies.

The magnitude of this undertaking also brings up the question that my government raised on several occasions over a year ago, and that has also been given attention by Your Excellency: it is that of the participation of countries of Western Europe, bound by close traditional ties to Latin America, in this effort at cooperation for its development.

- 5 -

The development of the program presented by Your Excellency will require close contact and exchange of ideas and initiative among all the participating countries. It will also be necessary to utilize existing institutions to the maximum extent, especially the new Inter-American Development Bank. The studies which have been carried out by the Economic Commission for Latin America and the work done by the O.A.S., which culminated in a conference held in accordance with the Act of Bogotá, will also be of great utility.

Nevertheless, I should like to point out to Your Excellency, that I believe the magnitude of the task implicit in the Alliance for Progress will require machinery for cooperation, which, while permitting the most effective use of the aforementioned institutions, will have the flexibility and efficiency that will, for example, permit active participation in the program by the countries of Western Europe and will assure efficient channeling of the cooperative effort toward the basic sectors mentioned above. This question, raised by my government long before the announcement of the program formulated by Your Excellency, now acquires, in our opinion, a much greater timeliness and importance.

My advisors and I myself are prepared to hold consultations with Your Excellency and all the American governments in order to consider the means necessary for giving the Alliance for Progress dynamic reality.

Mr. President: Please receive these lengthy comments that I have taken the liberty of expressing as the most direct homage to the lofty spirit that has inspired your transcendent act of statesmanship.

From them you may have gathered the fact that I already consider the Alliance for Progress as a reality that is on the march, and I am certain that this opinion is held by all the American governments.

In the course of this march, as we advance toward the conquest of our future, the threat of any attempt from abroad to create disturbances will be removed from this hemisphere, and prosperity attained within the framework of respect for liberty and the rule of justice will be definitely affirmed.

Cordial greetings,

ARTURO FRONDISI

## President of Argentina Delivers a Message

Human beings can only attain their full development in a society built on the guiding principle of freedom. Without freedom, that is to say, without being free of unfair coercions, man limits his existence to simple vegetation. To live in freedom means that man should not be enslaved by poverty, ignorance or fear. It means that the shaping of his conscience should be protected from the tyrannical interference of the power of the state and from the abusive pressures of the political, economic and ideological circles.



ARTURO FRONDISI  
President of Argentina

The full achievement of that freedom or aggregate of freedoms, is the main aim in the age in which man lives. The removal of the obstacles preventing this attainment raises the most serious problems of government. Such is the case, not only for the economically and socially underdeveloped countries, but also for those countries who have reached high standards of living and who, therefore, must carry on the development of their cultural and spiritual life to the benefit of all their inhabitants.

Co-operation among all nations has thus become imperative to an extent unknown before. Never has actual and definite interdependence among countries been so emphasized as today. The backward communities struggle to divest themselves of the ties which prevent self-determination and this process of national assertion cannot be arrested now.

The scientific and technical advancements are quickly known in the remotest parts of the earth, and the backward communities are fully conscious that they cannot enjoy them in spite of their contributions, which are similar to those of the communities who benefit fully and rapidly from those advancements.

In the present world, men realize that their national sovereignty, their social peace and their common welfare cannot be ensured without economic development. Underdevelopment disturbs the institutional organization, makes social victories appear deceptive and keeps alive the rancor leading to fratricidal wars.

Therefore, the forms of international co-operation should be urgently and substantially altered. Leaders of nations must recognize the compulsory and unavoidable nature of such co-operation. There is no longer a place for theoretical debates on the subject. The countries who are economically and socially underdeveloped have their destiny at stake in the fight against poverty, illness and ignorance. In their turn, the advanced countries will not be able to peacefully maintain the standard of national development if they do not expand their trade and the areas of their capital investment and technical advancement. But these aims cannot be reached without expanding the purchasing power of the nations who have not yet attained their full development.

These facts, "hard facts," leave no room for doubt, hesitation or intermediate solutions. They mark the historic course for the present world, particularly in the Western Hemisphere. The struggle of the peoples of the world for their better welfare, without impairing their freedom and their respect for human dignity, depends on the real understanding of this struggle by the leaders of the world.

ARTURO FRONDISI  
President of Argentina

## New Argentine Port Planned

Argentina is reportedly planning a major port in the Province of Rio Negro at San Antonio Bay, near the estuary of the Rio Negro.

A final study of the port was slated after preliminary reports indicated that about 450,000 tons of farm products could be shipped at present, with the volume rising to almost 900,000 tons annually within the years.

## Joins in President Kennedy's Enunciation

# Alliance of Progress Hopes Lifted by Frondizi Support

By JOHN HOOVER

Pan American Day takes on a new significance this year with the enunciation of President Kennedy's Alliance for Progress as one of the two or three major foundation stones of U. S. foreign policy.

His dramatic announcement before the assembled Latin American diplomats a couple of weeks ago has been received with cautious approval by our sister republics who remember with outraged frustration how their needs have been shunted aside while Uncle Sam poured billions of dollars into Western Europe and Southeast Asia for economic and social development.

But one endorsement—direct and unequivocal—was of particular importance that it went almost unnoticed in the North American press. Administration sources have indicated life is very much excited and pleased by it.

### Statement

This was the lengthy statement Argentine President Arturo Frondizi made in the form of a personal letter of congratulations to President Kennedy.

"My government unreservedly commits itself to the joint co-operative efforts of the Alliance for Progress that you have opened to all the nations of the Americas," President Frondizi said.

"As president of the Argentine, I consider myself irrevocably a participant . . . certain that only thru this effort can we fulfill the historic destiny of America in this century charged with anxiety and promise."

This statement for the first time in history ties the two major countries of the hemisphere together in a common policy.

Argentina, rich and cultivated, jealous of its position of leadership in South American affairs, had, even during the Roosevelt era of good neighborliness, withheld its enormous prestige from collective inter-American activity under United States leadership.

### First Break

President Frondizi's first break with tradition came when he sought foreign aid to help his country recover from the economic chaos it inherited from the Peron dictatorship. He tied foreign aid to a program of austerity and has been rewarded for his tremendous political courage by seeing the foreshadow of prosperity.

One recommendation to President Kennedy reflects his own experience:

"I believe it necessary to concentrate the initial impetus on the establishment and strategic expansion of the basic industries and services that will, in turn, permit the acceleration of industrialization and the mechanization of our economy," President Frondizi said.

### Means, Not End

But the Argentine president noted that such a ma-

terialistic program was a means, not an end:

"Many of our peoples have been successful in establishing the democratic institutions essential to the respect for our traditional values, for human dignity, and for an economic regime based on social justice, private enterprise, and respect for private property.

"Nevertheless, the Latin American nations are troubled by a serious, disturbing factor which hinders our progress . . . threatens our social stability in the face of the corrosive activity of disruptive demagoguery and propaganda; this negative factor . . . is that of underdevelopment.

"The vicious circle of poverty and underdevelopment calls for vigorous solutions. In present world conditions, political as well as economic, no underdeveloped country can formulate such solution within the framework of a democratic regime without the co-operation of the developed countries.

"Moreover . . . it is not only a question of overcoming problems of hunger, contagious diseases, or illiteracy; people in the middle of the 20th century aspire to levels of well-being appropriate to this age . . . Their aspirations encompass . . . a full life, in

a material and cultural sense and in a physical and spiritual sense.

"Rural man aspires to become more informed and to be heard . . . in the making of national decisions which will affect him; . . . industrial workers . . . aspire to higher cultural levels, to a higher social position . . . professional and technical people and intellectuals also aspire to be respected in their professions . . . and to achieve positions of responsibility . . .

"The history of this century indicates that tensions of this type, perhaps even more than those created by extreme poverty, offer fertile soil for the germination of nihilist movements that can open the door to communist totalitarianism."

### Pledge

President Frondizi closed his letter with the pledge:

"My advisors and I myself are prepared to hold consultation with your Excellency and all the American governments in order to consider the means necessary for giving the Alliance for Progress dynamic reality . . ."

There have been warm statements of approval from the heads of other hemisphere governments, but none

have been so direct nor so detailed in acceptance.

The President's chief advisor on Latin American affairs, Adolf Berle, added details to Mr. Kennedy's program in a speech before the American Bar Association in New York on Wednesday.

### One Big Note

He noted that communists and their Cuban allies are denouncing the Alliance for Progress just as the communists and their Europeans allies denounced the Marshall Plan in 1947.

"But we must all remember that the primary struggle now is not against that obstacle," Mr. Berle said. "Communist opposition is merely one of the difficulties we must overcome. Our real struggle is to add strength, organization and resources to the tremendous surge for life, instruction and human improvement sweeping Latin America today.

"Our ultimate enemies are ignorance and disease, blind poverty and insecurity, lack of production and lack of social justice—all legacies of a discarded past."

The reassurance of that statement plus the strong backing of President Frondizi should go a long way towards making the Alliance for Progress a hemispheric program.

# Argentina's Wealth Is Riches of Its Soil

Argentina has made substantial progress in its program aimed at the expansion of production and general economic recovery. Increased foreign investment and additional private investment reflect confidence in the long range programs of the government.

The wealth of Argentina is varied and abundant—but mainly it is the riches held in its fertile soil. The great Pampa, which makes up a quarter of the nation's land and contains some of the most fertile soil in the world, produces practically all of the country's wheat, corn, flax and a large amount of the livestock. In other sections there are cotton, sugar, vineyards and dozens of other products.

### BEEF AND WHEAT

Beef, wheat and other farm and livestock products make up about 90 per cent of the total value of the nation's export trade. Leading industries, employing the most persons and in value of product-

ion, are meatpacking and food processing. Flour milling, sugar refining, linseed oil processing rank high.

After the Peron regime was toppled, the new government launched a program of economic rehabilitation. Policies of extreme economic nationalism were reversed. The state trading agency was eliminated. Most of the main manufacturing enterprises were returned to private ownership. The results of the program have been highly favorable.

Last year Argentina witnessed a fast growth in the oil industry; stepped up production of steel, a booming auto industry and manufacture of plastic and chemical products.

Among the new projects scheduled for this year are changes in the railroad system and huge private investments in hydroelectric power, oil developments and steel works.

### OIL PRODUCTION

The production of oil has been spurred in Argentina and it is expected that domestic production will equal the total amount of consumption by the end of this year.

Argentines are justifiably proud of their capital city of Buenos Aires—the largest city in South America and one of the great capitals of the world. Buenos Aires has a touch

of Paris, a bit of old Spain—but it is individualistic and apart from the other capitals of the hemisphere.

A great tourist center, Buenos Aires has outstanding restaurants, fashionable shops, theaters, cafes, etc. All this plus its cultural institutions and above all the busy

active Portenos, themselves, make this an attractive live metropolis.

The standard of living in Argentina is high and health conditions are generally excellent. The average life expectancy is the highest in South America and the infant mortality rate is one of the lowest. The public health program has been highly developed and some of the world's leading physicians reside in Argentina.

Today Argentina presents a vivid example of the economic gains and social progress that can be accomplished in a free society.